



A.N. Garg & Company

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HTL ISPAT PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of HTL ISPAT PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of standalone financial statement

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the standalone financial statements; we remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We believe that audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

We communicate with those charged with governance of the Company regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company; so far it appears from our examination of these books.



- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.



v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, To the extent applicable

For A. N.GARG & COMPANY
Chartered Accountants
(FRN- 004616N)



A. N. GARG
(FCA, Partner)
M.No.-083687
Place: New Delhi
Date: 7th May, 2022
UDIN: 22083687AIZRPB5700

Annexure - A
To the Independent Auditor's Report

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of HTL ISPAT PRIVATE LIMITED

We have audited the internal financial controls over financial reporting of HTL ISPAT PRIVATE LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone/ standalone Ind AS (retain as applicable) financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

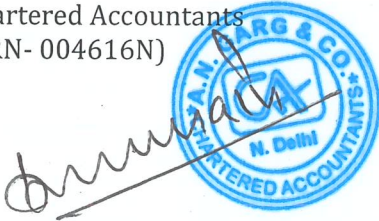
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For A. N. GARG & COMPANY

Chartered Accountants
(FRN- 004616N)



A. N. GARG

(FCA, Partner)

M.No.-083687

Place: New Delhi

Date: 7th May, 2022

UDIN: 22083687AIZRPB5700

Annexure "B"
To the Independent Auditor's Report

The Annexure referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our Report to the Members of HTL ISPAT PRIVATE LIMITED of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

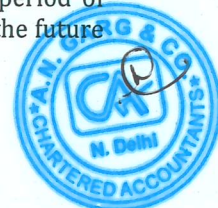
- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:-
- (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and right-of-use assets.
- (B) The Company has maintained Proper records showing full particulars of intangible assets.
- (b) Certain Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management in accordance with a program of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment and capital work-in-progress at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and the records examined by us we report that the title deeds of all the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of company) disclosed in financial statements included in Plant Property and Equipment and Capital Work in Progress are held in the name of the company as at Balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) To best of our knowledge and according to information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management, in our opinion, the coverage and procedure of such verification by the management is appropriate; no discrepancies were noticed by us which is 10% or more in the aggregate for each class of inventory, however some immaterial discrepancies were observed by us which were properly dealt with in the books of accounts.
- (b) Company has been sanctioned working capital limits which is in excess of five Crore rupees in aggregate, at point of time during the year from banks on the basis of security of current assets, in our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the company with such banks are in agreement with the unaudited books of accounts of the company of the respective quarters. The company has not been sanctioned any working capital facility from financial institutions.



- (iii) According to the information and explanations provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, consequently, clause 3(iii)(a)(b)(c)(d)(e)(f) of the Order is not applicable.
- (iv) Based on information and explanations given to us in respect of loans, investments, guarantees, and security, have been complied with (wherever applicable on the company) necessary provision of section 185 & 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amount which is deemed to be deposit. Hence reporting under clause (v) of the order is not applicable.
- (vi) The company has maintained cost records pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended, prescribed by the Central Government under sub - section (1) of Section 148 of the Companies Act, 2013; however we neither required carrying out, nor have carried out any detailed examination of such accounts and records.
- (vii) (a) As explained to us and as per the books and records examined by us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authority on regular basis.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, GST, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) Company has taken various loans from Banks but there is no default in repayment of loans has been made by the company.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) Term Loans Taken by the company has been applied for the purpose for which they were obtained, no material discrepancies noticed.
- d) On overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not utilized during the year for long term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company does not have any any Subsidiary, hence reporting on clause 3(ix)(f) of the order is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, hence reporting on clause 3(ix)(f) of the order is not applicable.



- (x) (a) In our opinion and according to the information and explanations given by the management company has not raised any moneys by way of initial public issue offer/further public offer (including debt instruments).
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(x)(b) of the Order is not applicable
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central govt. during the year and upto the date of this report.
- (c) Company has not received any whistle blower complaints against it.
- (xii) In our opinion on the basis of information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures
- (xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There is no Resignation by the statutory auditor of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future



viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.

For A. N. GARG & COMPANY
Chartered Accountants
(FRN- 004616N)



A. N. GARG
(FCA, Partner)
M.No.-083687
Place: New Delhi
Date: 7th May, 2022
UDIN: 22083687AIZRPB5700

HTL ISPAT PRIVATE LIMITED
BALANCE SHEET
AS AT MARCH 31, 2022

(Rs. in Lakhs)

PARTICULARS	Notes No.	As at 31.03.2022	As at 31.03.2021
<u>ASSETS</u>			
I Non-Current Assets			
(a) Property, Plant & Equipments	2	2,083.08	2,102.49
(b) Capital Work-in-Progress	3	59.24	36.34
(c) Investment Property			
(d) Intangible Assets	4	2.00	-
(e) Financial Assets			
i Investments		-	-
ii Loans		-	-
(f) Other non-current assets	5	305.69	267.31
Total Non-Current Asset		2,450.01	2,406.14
Current Assets			
(a) Inventories	6	2,673.69	1,283.97
(b) Financial Assets			
i Investments			
ii Trade receivables	7	1,460.52	838.68
iii Cash and cash equivalents	8	18.88	5.46
iv Other Bank balances			
v Loans			
vi Others Financial Assets	9	675.24	615.93
(c) Other current assets			
Total Current Assets		4,828.32	2,744.04
Total Assets		7,278.33	5,150.18
II <u>EQUITY AND LIABILITIES:</u>			
Equity			
(a) Equity share capital	10	50.00	50.00
(b) Other Equity	11	412.71	72.05
Total Equity		462.71	122.05
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
i Borrowings	12	3,892.15	2,825.03
ii Trade payables		-	-
iii Other financial liabilities	13	24.39	45.80
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	18	53.75	25.20
Total Non-Current Liabilities		3,970.29	2,896.03
Current Liabilities			
(a) Financial Liabilities			
i Borrowings	14	1,467.20	1,863.20
ii Trade payables	15	67.35	37.92
iii Other financial liabilities	16	1,210.72	154.30
(b) Other current liabilities	17	28.38	76.68
(c) Current Tax Liabilities (Net)	18	71.69	-
Total Current Liabilities		2,845.32	2,132.10
Total Equity & Liability		7,278.33	5,150.18

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA, Partner)

M. No. 083687



For and on behalf of Board of Directors

Ajay Kumar Bansal

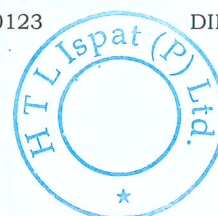
Director

DIN : 01070123

Vipul Bansal

Director

DIN : 00670203



Place: New Delhi

Date: May 07th, 2022

HTL ISPAT PRIVATE LIMITED.**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED Mar 31, 2022****(Rs. in Lakhs)**

Particulars	Notes	For the Year ended Mar 31, 2022	For the Year ended Mar 31, 2021
A. Revenue			
Revenue from Operations	19	15,928.43	4,365.24
Other Income		-	-
		15,928.43	4,365.24
B. Expenses			
Cost of materials consumed	20	15,086.53	4,863.68
change in inventory	21	(400.96)	(901.73)
Employee benefit expenses	22	198.16	67.39
Finance costs	23	255.34	73.27
Depreciation and amortization expenses	24	80.55	17.16
Other expenses	25	251.20	145.35
TOTAL		15,470.82	4,265.12
Profir Before Tax (A-B)		457.61	100.12
Tax Expenses			
Current Tax	18	87.31	-
Deffered Tax	18	28.55	25.20
Prior period adjustments		1.08	-
Income Tax Expenses		116.94	25.20
Profit for the year		340.66	74.92
Earning per Equity Share			
-Basic		68.13	14.98
-Diluted		68.13	14.98

The accompanying notes are an integral part of the financial statements

Notes form an intergal part of these financial statements

Signed in term of our Separate Audit Report of Even
Date Attached.

As per our report of even date

For A.N. GARG & COMPANY

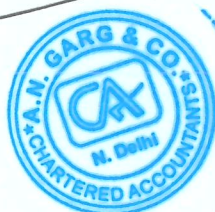
Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA, Partner)

M No.083687



Place: New Delhi

Date: May 07th, 2022

For and on behalf of Board of Directors**Ajay Kumar Bansal**

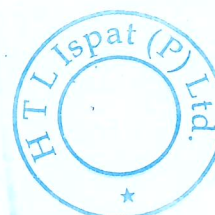
Director

DIN :01070123

Vipul Bansal

Director

DIN :00670203



HTL ISPAT PRIVATE LIMITED**CASH FLOW STATEMENT FOR THE Year ENDED Mar 31st, 2022**

PARTICULARS	For the Year ended Mar 31,2022	For the Year ended Mar 31,2021
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax and Extra Ordinary Activity	457.61	100.12
Add/(Less) Adjustments for:		
Depreciation	80.55	17.16
Finance Cost	255.34	73.27
Operating Profit Before Working Capital Changes	793.49	190.55
Adjustments for:-		
(Increase) / Decrease Trade Payables	29.43	36.87
(Increase) / Decrease Trade Receivables	(621.83)	(838.68)
(Increase) / Decrease inventories	(1389.72)	(1283.97)
(Increase) / Decrease Other Current Liabilities	(86.42)	142.79
(Increase) / Decrease Other Current assets	(59.31)	(536.52)
Cash Generated from Operations	(2127.85)	(2479.52)
Direct Taxes Paid	-	-
Net Cash Flow From Operating Activities (A)	(1334.36)	(2288.97)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Payment for Property ,Plant & Equipment , Intangible Assets including Capital Advance	(86.04)	(1161.80)
(Increase) / Decrease Other Non Current assets	(38.38)	(98.15)
Net Cash Flow From Investing Activities(B)	(124.42)	(1259.95)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed/(Repayment of) non current borrowings	1067.12	1760.51
Proceed/(Repayment of) current borrowings	660.42	1863.20
Finance cost	(255.34)	(73.27)
Net Cash Flow Used In Financing Activities	1472.20	3550.44
Net Increase/ (Decrease) Changes in Cash & Cash Equivalent	13.42	1.51
Cash and Cash Equivalent at the Beginning of the Year	5.46	3.94
Cash and Cash Equivalent at the Closing of the Year	18.88	5.46

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA, Partner)

M No.083687



Place: New Delhi

Date: May 07th, 2022

For and on behalf of Board of Directors

Ajay Kumar Bansal

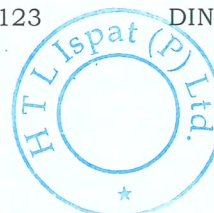
Director

DIN :01070123

Vipul Bansal

Director

DIN :00670203



HTL ISPAT PRIVATE LIMITED
2.PROPERTY, PLANT & EQUIPMENT

	(Rs. in Lakh)						
Particulars	Freehold Land at Mumbai	factory shed & building	Plant and Machinery	Furniture	Vehicles	Computer	Total Tangible Asset
Gross carrying amount as at Mar 31, 2021	469.65	534.95	1,102.36	1.63	9.96	1.10	2,119.65
Additions	-	50.85	1.55	6.17	0.78	1.29	60.64
Disposals							
Gross carrying amount as at Mar 31, 2022	469.65	585.80	1,103.91	7.80	10.74	2.39	2,180.29
Accumulated Depreciation/amortisation and impairment							
Balance as at Mar 31, 2021	-	6.19	10.71	0.02	0.13	0.11	17.16
Depreciation for the year	-	20.44	57.50	0.74	1.02	0.35	80.05
Depreciation on Disposals	-	-	-	-	-	-	-
Balance as at Mar 31, 2022	-	26.63	68.21	0.76	1.15	0.46	97.21
Net Carrying Amount							
At Mar 31, 2022	469.65	559.17	1,035.70	7.04	9.59	1.93	2,083.08
At Mar 31, 2021	469.65	528.76	1,091.65	1.61	9.83	0.99	2,102.49
useful life of Assets (in Years)	N/A	30	10-30	10	10	3	
Method of Depreciation	N/A	Staright Line Method					

3.Capital Work-in-Progress

	(Rs in lakhs)	
Particulars	Net Carrying Amount	Total
	As at 31.03.2021	36.34
	As at 31.03.2022	59.24

4. Intangible Assets

	(Rs. in Lakh)	
Intangibles Assets	Computer Software	Intangibles Total
Gross Carrying amount as at 31.03.2021	-	-
Additions	2.50	2.50
Disposals	-	-
Gross Carrying amount as at 31.03.2022	2.50	2.50
Accumulated Amortisation and impairment	-	-
Amortisation for the year	0.50	0.50
Amortisation on Disposals	-	-
Balance as at 31.03.2022	0.50	0.50
Net Carrying Value		
As at 31.03.2022	2.00	2.00
As at 31.03.2021	-	-
Useful life of Assets (Years)	3-5	
Method of Depreciation	SLM	



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HTL ISPAT PRIVATE LIMITED.
Notes Forming part of Financial Statements

10. Share Capital

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number	Rs.	Number	Rs.
Authorised Share Capital				
Equity Shares of Rs 10 each	10.00	100.00	10.00	100.00
Issued, Subscribed				
Equity Shares of Rs 10 each	5.00	50.00	5.00	50.00
i) Reconciliation of Equity Share Capital				
Balance at the Beginning of the year	5.00	50.00	5.00	50.00
Add : Share Issued during the year	-	-	-	-
Balance at the end of the year	5.00	50.00	5.00	50.00

ii) Details of Share held by each shareholder holding more than 5% of the share of the company

Particulars Name of the Shareholder	As at 31-03-2022		As at 31-03-2021	
	Number	%	Number	%
Equity Share With Voting Right				
Hi-Tech pipes Limited	4,99,994	99.9988%	4,99,994	99.9988%
Mr. Ajay Kumar Bansal*	1	0.0002%	1	0.0002%
Mr. Vipul Bansal*	1	0.0002%	1	0.0002%
Mr. Parveen Bansal*	1	0.0002%	1	0.0002%
Mr. Shweta Bansal*	1	0.0002%	1	0.0002%
Mr. Anish Bansal*	1	0.0002%	1	0.0002%
Mr. Naresh Bansal*	1	0.0002%	1	0.0002%
	5,00,000	100%	5,00,000	100%

*Individuals are holding share on behalf of Hi-Tech Pipes Limited

(III) The Company has only one class of Equity Share having a par value of Rs 10 each. Each holder of equity share is entitled to one vote per share. In event of Liquidation of the Company, holder of the equity share will be entitled to vote per share, In the event of liquidation of the Company, holder of the Share will be entitled to receive any of the remaining assets of the of the Company, after distribution of all preferential amounts, The Distribution will be in proportion to the number of Equity Share held by the shareholders

11. Reserves and Surplus

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Surplus in Statement of Profit and loss		
Balance at beginning of the year	72.05	(2.87)
Add: transferred from statement of Profit and loss	340.66	74.92
Balance at the end of the year	412.71	72.05



For M/s HTL ISPAT PVT LTD

Ajay Kumar Bansal
Ajay Kumar Bansal
Director
DIN :01070123

Vipul Bansal
Vipul Bansal
Director
DIN :00670203



NOTES TO THE HTL ISPAT PRIVATE LTD. FINANCIAL STATEMENTS

Background

HTL Ispat Private Limited is a private company limited by shares, incorporated and domiciled in India. Its registered office is located at 505, Pearl Towers, New Delhi – 110005, India and principal place of business is located at 505, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

Note 1 Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

i) **Compliance with Ind AS :**

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

ii) **Accrual basis of accounting**

iii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

b) Foreign currency transactions:

i) **Functional and presentation currency:**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (Rs), which is also the functional and presentation currency of the Company.

ii) **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

c) **Revenue recognition:**

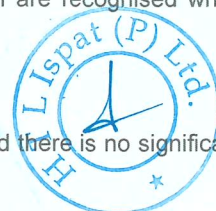
i) **Timing of recognition :**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.

This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedents are met and there is no significant uncertainty about the collectability.



ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, GST (Goods & Service Tax) etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer, irrespective of whether the goods are sold or not.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

f) Leases:

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives:

<u>Asset category</u>	<u>Estimated useful life</u>
Factory Buildings	30 years
Plant and equipment	15 to 30 years
Vehicle	8 to 10 years
Office equipment and furniture	5 years
Furniture & Fittings	10 years
Computers	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.



i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

o) Investments and other financial assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through

profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

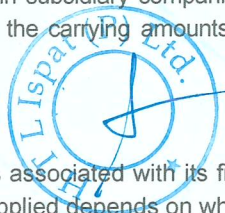
Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and Joint Venture Company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been

A significant increase in credit risk. Details show how the Company determines whether there has been a significant increase in credit risk.



For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities:

i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

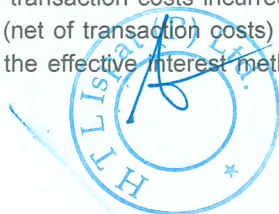
A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

p) Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan



facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Employee benefits:

Short-term employee benefits:

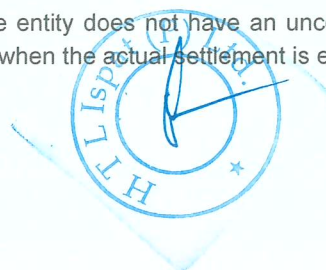
All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.



Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:**Gratuity:**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

u) Earnings per share:

Earning per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

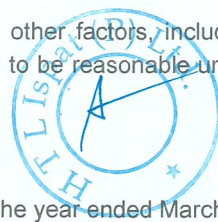
Estimation of useful life of tangible assets

Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

The Financial Statements were authorised for issue by the Board of Directors on May 07th, 2022.

The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2022 & the comparative information presented in these Financial Statements for the year ended March 31, 2021.



HTL ISPAT PRIVATE LIMITED.

Notes Forming part of Financial Statements

5. Non current assets

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
capital Advances	285.46	253.53
Security deposits	20.24	13.78
Total	305.69	267.31

6. INVENTORIES

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Inventories (at lower of cost and net realisable value):		
Raw materials	1,261.14	306.89
Finished Goods/Semi Finished Goods	1,185.14	845.32
Waste and Scape	117.55	56.41
Stores & Spare	109.86	75.35
Total	2,673.69	1,283.97

7. TRADE RECEIVABLE (CURRENT)

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Unsecured:		
Considered Good	1,460.52	838.68
Less: Allowance for doubtful debts	-	-
Total	1,460.52	838.68

8. Cash and cash Equivalents

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Cash in Hand	16.64	5.08
Balance with Banks in Currents Accounts	2.23	0.39
Total	18.88	3.94

9. Short term Loan and advances

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Advance to Suppliers/professional	143.22	161.62
Amount receivable from Govt.	532.02	444.50
Others	-	9.81
Total	675.24	615.93

12. Borrowing (Non -Current)

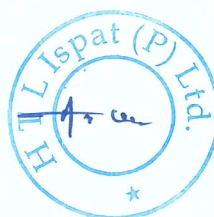
(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
SECURED LOAN		
From Banks	1,935.00	1,330.05
UNSECURED LOAN		
From Directors	1,171.53	696.53
From Holding Company	785.62	798.44
Total	3,892.15	2,825.03

13 . Other Non Current liabilities

(Rs in Lacs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
Creditors for capital goods	24.39	45.80
Total	24.39	45.80



14. BORROWINGS (CURRENT)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
SECURED LOAN		
Working Capital Loans Repayable on demand From Bank	1,467.20	1,863.20
Total	1,467.20	1,863.20

Notes :

Facility

CC limit; WCDL for 90 days as sub limit of CC.

Security
Hypothecation of
Stock & Book debtsSecurity
Hypothecation of
Stock & Book
debts**15. Trade Payable**

(Rs in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sundry Payable	67.35	37.92
Total	67.35	37.92

16. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current maturities of long-term borrowings	211.95	154.30
Loan from related party	998.77	-
Total	1,210.72	154.30

17. Other Payable

(Rs in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Statutory Dues payable	6.37	4.07
Other Exp. Payable	22.01	72.62
Total	28.38	76.68

26. Earning per Share**a) Computation of profit**

Net profit /(loss) for the year (Lakhs of Rs)

340.66

74.92

b) Computation of weighted Average Number of shares(in NO.)

5,00,000.00

5,00,000.00

Basic earning Per Share (Rs)

68.13

14.98

Diluted earning Per Share (Rs)

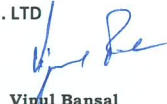
68.13

14.98

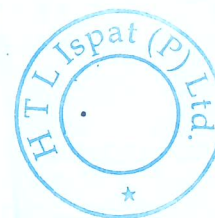
For M/s HTL ISPAT PVT. LTD


Ajay Kumar Bansal
Director

DIN : 01070123


Vipul Bansal
Director

DIN : 00670203



18 **Income Taxes**

Indian companies are subject to Indian income tax on a standalone basis. Each entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31. For each fiscal year, the respective entities' profit or loss is subject to the higher of the regular income tax payable or the minimum alternative tax ("MAT").

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income tax Act, 1961. Such adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and education cess.

(a) **Income tax expense / (benefits)**

Particulars	(Rs in lakhs)	
	For the year ended	
	31.03.2022	31.03.2021
Current tax :		
Current tax	87.31	-
Tax refund / reversal pertaining to earlier years	1.08	-
	88.39	-
Deferred tax :		
Deferred tax	28.55	25.20
Tax provision/(reversal) for earlier years	-	-
Total deferred tax	28.55	25.20
Total Tax expense / (benefit)	116.94	25.20

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	(Rs in lakhs)	
	For the year ended	
	31.03.2022	31.03.2021
Profit/loss before tax	457.61	100.12
Enacted tax rate in India	25.17%	25.17%
Expected income tax expense / (benefit) at statutory tax rate	115.18	25.20
Depreciation under Income Tax Act	1.76	-
Expenses not deductible in determining taxable profits	-	-
Deductions allowed under tax Laws	-	-
Tax expense for the Current year	116.94	25.20
Effective income tax rate	25.56%	25.17%

Deferred tax assets / (liabilities)

Significant components of deferred tax assets/(liabilities) recognized in the financial statements are as follows:

Particulars	(Rs in lakhs)	
	As at 31.03.2022	As at 31.03.2021
Deferred tax liabilities (net)	53.75	25.20
Total	53.75	1,119.43

Deferred tax balance in relation to	(Rs in lakhs)			
	As at 31.03.2021	Recognised / reversed through P/L	Recognised in / reclassified from other OCI	As at 31.03.2022
Property, plant and equipment	25.20	28.55	-	53.75
Total	25.20	28.55	-	53.75



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HTL ISPAT PRIVATE LIMITED.
Notes Forming part of Financial Statements

19. REVENUE FROM OPERATIONS

	Rs. in Lakh		
	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Sale of products	15,928.43		4,365.24
Revenue from Operations (Gross)	15,928.43		4,365.24

20. COST OF MATERIAL CONSUMED

	Rs. in Lakh		
	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Indigenous Raw Material	15,086.53		4,863.68
	15,086.53		4,863.68

21. CHANGE IN INVENTORIES OF FINISHED GOODS, TRADED GOODS & WIP

	Rs. in Lakh		
	Increase / Decrease	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the year			
Finished goods	339.82	1,185.14	845.32
Scrap Material	61.14	117.55	56.41
	400.96	1,302.69	901.73

22. EMPLOYEE BENEFIT EXPENSES

	Rs. in Lakh		
	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Salaries, Wages, Bonus and Other Benefits	192.94		64.45
Staff Welfare Expenses	5.23		2.95
	198.16		67.39

23. FINANCE COST

	Rs. in Lakh		
	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Interest on borrowings	255.34		73.27
	255.34		73.27

24. DEPRECIATION & AMORTISATION EXPENSES

	Rs. in Lakh		
	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Depreciation Expenses	80.55		17.16
	80.55		152.96

25. Other Expenses

	(Rs in Lacs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	March 31, 2021
Fee & Subscription	4.88		2.54
Rent Expenses	7.86		4.26
Repairs & Maintenance :-			
Building	4.15		0.53
Plant & Machinery	1.42		2.96
Others	2.46		0.52
Power & Fuel	93.83		46.17
Security charges	8.78		5.65
Legal & professional charges	3.69		0.25
Other Expenses	9.34		6.23
Freight Outward	104.68		74.12
Sales promotion Exp.	2.65		-
Insurance Expenses	3.49		0.87
Travelling Expenses	3.98		1.25
Total	251.20		145.35



For M/s HTL ISPAT PVT. LTD

Ajay Kumar Bansal
Director
DIN : 01070123

Vipul Bansal
Director
DIN : 00670203

